# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:959
ANSWERED ON:23.11.2001
INCOME TAX REBATE TO CORPORATE HOUSES
RAM SHAKAL

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government are contemplating on various options including to give income tax rebate to corporate houses which contribute to party funds through cheque in order to make fund receiving process by political parties more transparent; and

(b) if so, the details thereof?

## Answer

MINISTRY OF STATE IN THE MINISTRY OF FINANCE ( ) (GINGEE N.RAMACHANDRAN)

(a)&(b) : The Committee on State Funding of Elections headed by the late Shri Indrajit Gupta in its report submitted on 14.1.1999 had made certain recommendations on the State Funding of Elections. The question whether there should be any ban on donations by companies and corporate bodies was left open by the aforesaid Committee to the collective wisdom of the Government and Parliament. In pursuance of these recommendations the Government sought the views of the political parties and others concerned as regards providing income-tax exemption and making of donations by cheque and various issues stand referred to the Group of Ministers. So far no final view has been taken in the matter. The issue, relating to giving of income-tax rebate to various corporate houses is also under consideration of the Group of Ministers.